

To be fair, not all brokers and lenders are bad and even subprime lending has value for some borrowers. The House Financial Services Committee has held two hearings this year on the issue of predatory lending and we are currently assessing legislative solutions.

The research shows that while hybrid adjustable rate mortgages and other subprime loans may be appropriate for some families, they are not suitable for others. We're concerned that the lending abuse in the market has become a very serious problem.

The subprime market has seen significantly higher levels of foreclosure and default than the prime market, and the rates of foreclosure and default are rising. For Hispanics, almost 20 percent who received high-interest, subprime loans are likely to go into foreclosure. Specifically, 73,000 out of 375,000 subprime loans made to Hispanics in 2005 are likely to foreclose. And the Center for Responsible Lending predicts subprime mortgages originated from 1998 through third quarter of 2006 will wipe out \$164 billion in homeowner wealth for 2.2 million American families.

In my district in California, the Neighborhood Housing Services of the Inland Empire reports that the foreclosure rate is now 3 times higher than it was just 1 year ago. Now 1 of every 315 homes in the Inland Empire is currently in default and has started the foreclosure process.

By no means am I advocating that we get rid of subprime lending. Subprime lending has empowered a number of borrowers to get into their first home, including roughly 85% of Latino families. So we can't let perfection be the enemy of the good.

But we need better safeguards to protect subprime borrowers so they are not taken advantage of and receive loans they can afford, even after the teaser rates go up. We also need to put an end to abusive practices and overly relaxed lending standards. Lenders and brokers must price borrowers into homes according to the final, fully indexed rate and fully amortized repayment schedule; not just the teaser rate. And they need to explain the terms of these loans in plain English so that borrowers understand how much they are paying each month even after the rates adjust. Lenders should also explain the risks involved with payment shock and prepayment penalties. It's time we put unscrupulous lenders who are steering minority families into unsuitable loans out of business.

Over the past 10 years, minority homeownership rates have improved, and in some cases for Hispanics, the homeownership has grown at a rate three times higher than that of other nonHispanic groups. The growth of the subprime lending has contributed greatly to this achievement.

But no one gains when people are thrown out of their homes. The housing market falls and entire neighborhoods are affected. This in turn impacts local economies and will ultimately impact our national housing market.

We all know that homeownership is the key to the American dream and the means to household wealth and savings. Let's work to protect these hard-working families who are facing foreclosures and keep them in their homes.

## INTERNATIONAL SOLID WASTE IMPORTATION AND MANAGEMENT ACT OF 2007

SPEECH OF

**HON. WALLY HERGER**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, April 24, 2007*

Mr. HERGER. Madam Speaker, I rise today in opposition to H.R. 518, the International Solid Waste Importation and Management Act of 2007. No one can accuse me of shying away from a fight to defend America's rights, including the right to regulate foreign trash that poses legitimate health or safety risks for our citizens. Yet there are right ways to address trade issues and wrong ways. This bill represents the wrong way. The bottom line is that this bill allows States to ban or restrict trash imports in violation of our Congressional prerogatives, Federalist system, and international commitments.

Yesterday, the U.S. Trade Representative's Office sent a letter to the Speaker and Republican Leadership expressing concerns that this bill would enable States to openly violate our international trade obligations—trade rules that we depend on to defend our companies and workers from unfair foreign practices. I would ask that this letter be included in the RECORD.

At a time when this Congress has called again and again for nations such as China to adhere to trade rules and for these rules to be vigorously enforced, how can we reasonably expect our trading partners to comply with trade obligations with which we do not comply ourselves?

Moreover, this bill is targeted at Canada, our largest trading partner, whose imports of American products impact virtually every corner of our country. Violations of our trade obligations to Canada would allow Canada to choose which products and industries to target for retaliation—exposing virtually every Congressman and Congresswoman here to damaging sanctions against their districts.

This bill would send us back to the Articles of Confederation, under which States setting their own trade policies almost tore our Nation apart. Now, more than 200 years later, we would be abdicating our Congressional responsibility and setting a very dangerous precedent.

## INTRODUCTION OF THE RURAL BROADBAND IMPROVEMENT ACT

**HON. STEPHANIE HERSETH SANDLIN**

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 25, 2007*

Ms. HERSETH SANDLIN. Madam Speaker, today I am pleased to introduce the Rural Broadband Improvement Act. This bill would refocus the Rural Utility Service (RUS) Broadband Loan Program to bring high speed internet access to rural Americans.

Access to broadband service is critical to the quality of life in rural America. It has the potential to be an unprecedented catalyst for economic growth and improvements in education and health care. However, I am concerned that instead of benefiting the rural Americans who need it, RUS is too often

being used to subsidize Internet access to suburban and affluent communities that already have multiple high speed internet providers.

According to a USDA Office of Inspector General September 2005 Audit Report on the Rural Utility Service Broadband Grant and Loan Program, "RUS has not exclusively served those rural communities most requiring federal assistance to obtain access to broadband technologies. Because RUS's definition of 'rural area' is too broad to distinguish usefully between suburban and rural communities, the agency has issued over \$103.4 million in grants and loans (nearly 12 percent of \$895 million in total program funds) to communities near metropolitan areas." The audit report also found that RUS needs stronger controls to prioritize communities without broadband access.

I have introduced the "Rural Broadband Improvement Act" to refocus and improve this important program. My legislation would make three simple reforms:

1. It would ensure that RUS loans and guarantees go to truly rural communities;

2. In rural communities that already have some high speed internet service, my bill would ensure that Federal dollars benefit those residents who have no broadband;

3. It would ensure that projects that were intended to be built with federal dollars, but were not built within three years of being granted the loan, are paid back to the U.S. Treasury.

The Inspector General of the Department of Agriculture issued a report criticizing this program. In the President's Budget, the Administration recognized that the program needs to be retargeted to rural Americans who need it. But after five years since this program's inception, precious dollars that could be used to bring high speed internet access to rural homes and schoolhouses across America continue to be misspent.

Now it is time for Congress to act. Please join me to help enable rural Americans to enjoy the same high speed access to the internet that urban and suburban America enjoys.

## INTERNATIONAL SOLID WASTE IMPORTATION AND MANAGEMENT ACT OF 2007

SPEECH OF

**HON. BART STUPAK**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, April 24, 2007*

Mr. STUPAK. Mr. Speaker, as an original co-sponsor, I rise today in support of H.R. 518, The international Solid Waste Importation and Management Act, or what is commonly referred to as the Canadian Trash bill.

Last Congress, identical legislation (H.R. 2491) was unanimously approved by the Energy and Commerce Committee and the full U.S. House of Representatives.

Since coming to Congress, I have worked with Mr. DINGELL and other members to address the Canadian trash problem. After 14 years of work, I look forward to resolving this issue.

Over 400 trucks a day cross the border from Canada, bringing tons of trash into Michigan